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C O N F I D E N T I A L LUANDA 000250

DEPARTMENT FOR EEB/OMA ALEX WHITTINGTON
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TAGS: [AO](#) [ECON](#) [EFIN](#) [ENIV](#) [PGOV](#) [PINR](#)

SUBJECT: GOVERNOR OF CENTRAL BANK SACKED; NEW GOVERNOR HAS
NO BANKING EXPERIENCE

REF: A. A. LUANDA 237

[1](#)B. B. LUANDA 200

[1](#)C. C. LUANDA 159

Classified By: Classified by Charge Jeff Hawkins for reasons 1.4 (b)
and (d)

[1](#)1. (C) Summary: As predicted in ref (A), Angolan central bank Governor Amadeu de Jesus Mauricio was sacked by President Dos Santos on April 11. The press has been silent about the reasons for the dismissal, but it appears Mauricio was let go because he had failed to secure authorization from either the Minister of Finance or President Dos Santos before he authorized the spending of international reserves, which have declined by 25 percent in the last three months. Mauricio's replacement is former Vice Minister of Industry Abraao Gourgel, who appears to be unqualified for the post. The appointment is not a step forward for fiscal responsibility. End Summary

[1](#)2. (C) On April 11, the Government of Angola announced that Amadeu Mauricio, Governor of Angola's central Bank, Banco Nacional de Angola (BNA), was stepping down, allegedly at his own request. The official announcement, and the state-owned press, was silent about the reasons for the "resignation." According to Embassy sources, Mauricio was sacked. BNA Vice Governor Rui Miguens (please protect) told us that Mauricio had been fired for failing to seek authorization to spend international reserves. (Note: Angola's reserves have declined from USD 20 to USD 15 billion during the first three months of the year. See Ref C.) The Chief Economist of the World Bank office in Angola suggested to us that, if true, this was a curious reason to fire a central banker, because "that is what they do." His implication being that ideally Mauricio should not have had to seek authorization from the President for pursuing the GRA policy of a stable Kwanza.

[1](#)3. (C) Also on April 11, President Dos Santos appointed Abraao Pio de Amaral Gourgel as the new Governor of BNA. Gourgel. Gourgel was the Deputy Minister of Industry from 1996 until this appointment and does not appear to have any banking or finance experience in his past. A long-time MPLA activist, he is rumored to have been educated in Cuba, possibly in economics. According to contacts, he speaks no other language besides Portuguese. He is not known to have a particularly close relationship with President Dos Santos, although several years ago the President appointed Gourgel chair of a development commission for Uige province. When USD 330 million from the USD 500 billion dollar Uige development fund went missing, the Angolan press alleged that Gourgel embezzled the money from this fund that the commission was created to manage. Gourgel was never indicted, the money was never recovered, and the scandal eventually faded. During Gourgel's tenure at the Ministry of Industry, the USDA canceled its Section 416(b) program with the ministry due to improper reporting on the disposition of the commodities and the ministry's failure to deposit the proceeds of the sale of the commodities into a development

account as required by the agreement.

¶4. (C) Comment: Reftel reporting had speculated that Angola was likely spending its reserves to defend an overvalued Kwanza. Despite government denials, indications are that there was a large increase in the demand for dollars at the BNA from December to February, larger than can be accounted for by Angola's average monthly import bill. Post believes that Mauricio was savvy enough to at least inform either the Minister of Finance and/or President Dos Santos before he committed reserves to meet the increase in demand for dollars. Either he committed the reserves absent a clear response from his superiors, and following the GRA's stable Kwanza policy, or his superiors had consented to defending the Kwanza but were ultimately surprised at the magnitude of the demand and at the cost in reserves of this policy decision.

¶5. (C) Comment Continued. We do not understand President Dos Santos's troubling decision to replace Mauricio with someone who has no prior banking or finance experience during tough economic times. One plausible explanation is that Dos Santos wants a much tighter control over how the central bank spends Angola's reserves and is willing to sacrifice competence at the top while career BNA officials continue to run the day to day operations of the bank. Vice Governor Miguens does not intend to resign and Post believes that the operation of the BNA will be in good hands if Miguens is the de facto decision maker. Ultimately though, this was a decision based on politics, not economics.

HAWKINS